

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: H 1508

SHORT TITLE: Gun Permit/Decrease Renewal Fee

SPONSOR(S): Representatives Mitchell; Gillespie, and Gulley

FISCAL IMPACT					
	Yes (x)	No ()	No Estimate Available ()		
	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>
REVENUES	(53,352)	(43,117)	(38,586)	(107,185)	(53,352)
EXPENDITURES	(280,454)	(220,534)	(203,875)	(634,321)	(280,454)
POSITIONS:	n/a	n/a	n/a	n/a	n/a
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Justice; State Bureau of Investigation					
EFFECTIVE DATE: July 1, 2000					

BILL SUMMARY: Eliminates the requirement to conduct fingerprint checks on concealed handgun permit renewal applications. Reduces the permit renewal fee from \$80 to \$75. Reduces the portion of the renewal fee to be remitted to the Department of Justice from \$45 to \$40.

ASSUMPTIONS AND METHODOLOGY: Estimate assumes that all applicants who received permits beginning in July 1996 will apply for renewal at the end of the four-year permit period. Monthly data on the number of handgun permits issued since January 1996 was used to calculate the impact on future SBI receipts and expenditures. The above fiscal impact assumes that because of the technical issues presented below, only state criminal background checks will be completed as part of the permit renewal process.

TECHNICAL CONSIDERATIONS: The Federal Bureau of Investigation (FBI) requires that fingerprints be submitted in order to conduct a national criminal background check. This requirement assures that individuals do not use aliases in an attempt to circumscribe the background investigation. By eliminating the fingerprint requirement for handgun permit renewals, HB 1508 will, in effect, eliminate the federal criminal records background check. Criminal background checks conducted as part of the applicant's permit renewal process will not reveal applicants' criminal activity which occurred in another state during the period since the original permit was issued. While the FBI has indicated that the State may re-submit the original fingerprints, this option is discouraged and there are drawbacks. The State Bureau of Investigation estimates that between 25 and 50 percent of the fingerprints taken as part of the original application process were rejected by the FBI because of poor quality. Another problem is presented by the written notations SBI personnel made on hard copies of the original fingerprints cards returned by the FBI. The FBI will not accept fingerprint cards that contain written notes. Therefore, SBI staff would have to remove all such notes before these cards could be submitted, a process which would affect the above expenditure estimates.

In the past two (2) years, many of the large county law enforcement agencies have converted to automated fingerprint information systems (AFIS) to collect and submit fingerprints to the SBI. The SBI reports that 60 to 70 percent of fingerprints are now submitted via AFIS. The quality of AFIS fingerprints are significantly superior to the hard copy fingerprints submitted in 1996 and 1997 during the implementation of the concealed handgun permit legislation. Therefore in outlying years, AFIS generated fingerprints collected as part of the original application could be resubmitted to the FBI in a more cost-efficient manner.

FISCAL RESEARCH DIVISION 733-4910

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